EXCLUSION REQUEST NO. 12

a. Product Name: Thin Gauge AS Corrosion-Resistant Steel
HTSUS Classification: 7210.49.0090

b. Technical Description:

NSC seeks an exclusion for Thin Gauge AS Corrosion-Resistant Steel meeting the following specifications:

(1)	tensile strength of 390 Mpa or more
(2)	yield strength ranging from 195 Mpa through 295 Mpa
(3)	r-value of 1.2 or more
(4)	elongation ranging from 34% through 45%
(5)	thickness of 1.4 mm or less

c. Basis for Exclusion Request:

Thin Gauge AS Corrosion-Resistant Steel is a hot-dipped, zinc-iron annealed, coated carbon steel product, used in the production of automotive outer and inner panels. Thin Gauge AS Corrosion-Resistant Steel should be excluded from any section 203 relief provided to the domestic steel industry because this product is patented and cannot be produced by U.S. mills. Specifically, NSC, holds patents covering both Thin Gauge AS Corrosion-Resistant Steel, as well as AS-E Corrosion Resistant Steel. *See* U.S. Patent Nos. 4,510,209 and 4,578,158. Although I/N Kote, a U.S. joint venture between Ispat Inland Inc. and NSC has been licensed to produce AS corrosion-resistant steel, I/N Kote cannot manufacture the thin gauge product required by NSC's U.S. end user.

d. Names and Locations of Any Producers:

As noted, NSC is the only producer of Thin Gauge AS Corrosion-Resistant Steel.

e. Total U.S. Consumption:

Because no other producer can manufacture Thin Gauge AS Corrosion-Resistant Steel in the above specifications, NSC has estimated total U.S. consumption as being equal to NSC's total U.S. exports. These figures are as follows: [Index: 1996 = 1.00]

	1996	1997	1998	1999	2000
Qty (ST)	[1.00	1.00	1.00	0.72	0.71]
Value US $	[1.00	1.02	0.98	0.74	0.70]

[

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	2001	2002	2003	2004	2005
Qty (ST)	[				]
Value US $	[				]

f. Total U.S. Production:

As noted above, there is no U.S. production of this product.

g. U.S.-Produced Substitute, Total U.S. Production of Substitute, and the Names of Any U.S. Producers of the Substitute:

NSC is unaware of any U.S.-manufactured steel products that are commercially viable substitutes for NSC's Thin Gauge AS Corrosion-Resistant Steel. This conclusion is supported by the fact that NSC's U.S. end user continues to import this product despite the existence of an antidumping duty order on corrosion-resistant steel from Japan, which continues to impose duty deposit requirements on imports of this product.